

**REGULAR MEETING
of the
CITY OF RIALTO
CITY COUNCIL**

**City of Rialto, acting as Successor Agency to the Redevelopment Agency
RIALTO UTILITY AUTHORITY
RIALTO HOUSING AUTHORITY**

**MINUTES
April 24, 2012**

A regular meeting of the City Council/Redevelopment Agency of the City of Rialto was held in the City Council Chambers located at 150 South Palm Avenue, Rialto, California 92376, on Tuesday, April 24, 2012.

0o0

This meeting was called by the presiding officer of the Rialto City Council in accordance with the provisions of **Government Code §54956** of the State of California.

0o0

CALL TO ORDER

Mayor Pro Tem Scott called the meeting to order at 5:00 p.m.

0o0

The roll was called and the following were present: Mayor Pro Tem Ed Scott and Council Member Deborah Robertson, and Council Member Ed Palmer. Also present were City Administrator Michael Story, and City Clerk Barbara McGee and City Attorney Jimmy Gutierrez. Mayor Grace Vargas and Council Member Baca Jr. were absent.

0o0

CLOSED SESSION

1. Conference with Legal Counsel – Existing Litigation. The City Council will discuss the following pending litigation pursuant to Government Code Section 54956.9(a):

(a) City of Colton v. American Promotional Events, Inc., et al.
United States District Court Case No. EDCV 09-01864 PSG (SSx)

CLOSED SESSION

2. Conference with Labor Negotiator regarding the following recognized employee organization pursuant to Government Code Section 54957.6:

Agency negotiator: Brad Neufeld, GSNT
George Harris, Administrative and
Community Services Director

Employee organization: Rialto Police Benefit Association
Police Management Bargaining Unit
Mid-Management Bargaining Unit
General Bargaining Unit
CGMA Bargaining Unit
Fire Management Bargaining Unit
Firefighters Union Local 3688

0o0

Motion by Council Member Palmer, second by Council Member Robertson and carried by a 3-0 vote to go into Closed Session at 5:04 p.m.

Mayor Vargas and Council Member Baca Jr. were absent. City Council returned at 5:35 p.m.

0o0

CALL TO ORDER

Mayor Pro Tem Scott called the meeting to order at 6:05 p.m.

0o0

The roll was called and the following were present: Mayor Pro Tem Ed Scott, Council Members: Deborah Robertson, Ed Palmer. Also present were City Administrator Michael Story, City Attorney Jimmy Gutierrez and City Clerk Barbara McGee. Mayor Grace Vargas and Council Member Joe Baca Jr. were absent.

0o0

Pledge of Allegiance and Invocation

Council Member Deborah Robertson led the pledge of allegiance and Pastor Harry Bratton – Greater Faith Grace Bible Church gave the Invocation.

0o0

City Attorney's Report

City Attorney Gutierrez stated they discussed one item, conference with legal counsel under Government Code Section 54956.9 (a) pertaining to a lawsuit City of Colton v. American Promotional Events, Inc., et al., dealing with the City's perchlorate litigation. City Council received a status report on that litigation.

City Attorney Gutierrez stated the second item was Conference with the City's Labor Negotiator to discuss issues with all the bargaining units. With respect to Local 3688 progress was made, a Side Letter Agreement was accepted by City Council.

0o0

PRESENTATIONS AND PROCLAMATIONS

Mayor Pro Tem Scott presented a Proclamation for Mormon Helping Hands Day to Stake President Cecil Brown, Church of Jesus Christ of Latter Day Saints.

0o0

Pauline Tidler, Chairperson of the Planning Commission gave their Annual Report.

0o0

Council Member Baca Jr. arrived at 6:20 p.m.

0o0

CONSENT CALENDAR

A. WAIVE FULL READING OF ORDINANCES

1. Waive reading in full, all ordinances considered at this meeting.

0o0

B. APPROVAL OF WARRANT RESOLUTIONS

1. Resolution No. 38 (4/6/12)
2. Resolution No. 39 (4/13/12)

0o0

C. APPROVAL OF MINUTES

1. Regular City Council Meeting – March 27, 2012

000

D. SETTING OF PUBLIC HEARINGS

1. Request City Council to set a public hearing for the **June 12, 2012** City Council Meeting for the placement of Liens for Delinquent Refuse Collection Accounts for the Fourth Quarter of 2011.

0o0

E. MISCELLANEOUS

1. Request City Council to approve Notice of Completion for Water Main Relocations/Sewer Main Extension/Construction.
2. Request City Council to approve the use of adopted Guiding Principles and Community Values.
3. Request City Council to award On-Call Concrete Curb, Gutter, Sidewalk Repair and Installation Service Contract to Gosney Construction in the amount of \$50,000.
4. Request City Council to adopt **Resolution No. 6102** accepting the Justice Assistance Grant (JAG) in the amount of \$38,790 and approve an Inter-Local Agreement with the County of San Bernardino.
5. Request City Council to approve a Bond Reduction for Tract No. 17511.

CONSENT CALENDAR

6. Request City Council to adopt **Resolution No. 6103** approving Omnitrans College Free Pass Pilot Program.
7. Request City Council to adopt **Resolution No. 6104** to approve Street Name Change – Easton Street to Renaissance Parkway.

0o0

Motion by Council Member Palmer second by Council Member Baca Jr. and carried by a 4-0 vote to approve the Consent Calendar. Mayor Vargas was absent.

0o0

PUBLIC HEARING

TAB 1 – 2012 Weed Abatement Program

Fire Chief Mat Fratus stated that this is a public hearing for the 2012 Weed Abatement Program. The California Government Code gives cities the powers to declare a public nuisance by Resolution for weeds growing on streets, sidewalks or public property. As well as rubbish and debris upon parkways, sidewalks on property located within the City. This Resolution empowers the City to abate the public nuisance and to recover the cost of abatement, including the cost of city administrative procedures and services. The Government Code also requires that a new Resolution be approved annually. The program is conducted twice annually, in the Spring and the Fall. There are approximately 1093 vacant parcels within Rialto as of 2011 and 401 required abatement. Most property owners choose to maintain the properties on their own. The amount for the Spring Weed Abatement Program is \$48,000. The cost of administering the weed abatement program is fully recoverable when placed on the property owner's tax bill.

0o0

Mayor Pro Tem Scott declared the public hearing open. No one came forward.

0o0

Motion by Council Member Palmer, second by Council Member Robertson and carried by a 4-0 vote to close the public hearing. Mayor Vargas was absent.

0o0

Motion by Council Member Palmer, second by Council Member Baca Jr. and carried by a 4-0 vote to approve the 2012 Weed Abatement Program. Mayor Vargas was absent.

0o0

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

George Harris, Director of Administrative and Community Services stated this is the review and approval of the 2012-2013 Community Development Block Grant (CDBG) allocation. The CDBG Program is administered by Consultant Rudy Munoz.

0o0

Rudy Munoz, CDBG Consultant stated that this is the request for adoption of 2012-2013 Consolidated Plan One Year Action Plan for CDBG Funds. The CDBG program was initiated by Congress as part of the Housing and Community Development Act of 1974. The program is funded directly by the Federal Government's Department of Housing and Urban Development. HUD provides the annual grant to the City based on a formula to carry out eligible community development activities. In order to be eligible to receive these funds, the City is required to submit: every five years a Consolidated Plan. In addition, they are required to submit an analysis of impediments to fair housing choice. Annually the City must submit a one-year action plan as well as a Consolidated Annual Performance and Evaluation Report. This comes to City Council in early September. The Five-Year Consolidated Plan is the application for funds under HUD's formula grant program. The Plan must be submitted every five years. Rialto last submitted in May 2010. The Consolidated Plan articulates the five-year strategy that the City will follow on implementing the CDBG Program for the following five years. The Consolidated Plan identifies the City's priority needs. The short and long term objectives and strategies and timetables to achieve these goals. The One-Year Action Plan is part of the overall Consolidated Plan. The Plan delineates Rialto's plan for the use of its CDBG funds for the upcoming year. The plan must be submitted to HUD no later than May 15, 2012. The Plan describes the resources that are available for program implementation and outlines a monitoring plan, the City's homeless and anti-poverty strategies and coordination efforts that are to be undertaken to implement the plan.

The City of Rialto is an entitlement community, meaning they receive funds directly through the U.S. Department of Housing and Urban Development for the use of funds in the CDBG program. For the 2012-2013 program year the city has been allocated \$1,053,144. The primary objective for the use of CDBG funds is the development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. To be eligible for CDBG funding, projects must meet one of three national objectives: it must either benefit low/moderate income persons, aid in the prevention or elimination of slum and blight, or urgent need. "Urgent Need" is only used when there is a natural disaster. CDBG funds may not be used for activities that do not meet these three national objectives.

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

Rudy Munoz, CDBG Consultant stated that there are other requirements associated with the CDBG program. First being that at least 70% of the yearly allocation must be used benefit low/moderate income persons. The balance can be used to eliminate slum and blight. A maximum of 20% of the current year's allocation may be programmed for planning and administrative purposes. A maximum of 15% of the total current year allocation may be programmed for public service activities.

The last two are maximum amounts that HUD indicates and the city cannot surpass those spending limits. If they look at the funding limitations for the \$1.53 million the City has received for the upcoming year. For public services the 15% maximum results in \$157,972. For administration the maximum they can fund is \$210,629. For capital improvement the minimum they can allocate is \$684,546 which is the balance of the 15% and 20%. Prior funds that are left over after the completion of a project must be reprogrammed to capital improvement activities. The Ad-Hoc Committee is comprised of two members of the City Council who select the activities recommended to the City Council for funding. During this cycle Mayor Grace Vargas and Council Member Joe Baca Jr. were the two members of the City Council that made up the Ad-Hoc Committee. The decisions of the Ad-Hoc is submitted to the City Council as a recommendation for the use of CDBG funds in the upcoming program year. The City Council can accept these recommendations or make modifications to the recommendations of the Ad-Hoc Committee.

The Ad-Hoc Committee Meeting took place on March 14, 2012. The meeting was open to all applicants and the general public. A total of 15 public service agencies submitted an application. The total of all of those applications was \$414,021. All applications that were submitted, met the CDBG requirements and met the city's five-year goals and objectives. All of these activities are eligible and the meet the goals that City Council established under the Five-Year Consolidated Plan. The public service agencies were provided an opportunity to present their program and their funding request. The committee convened after all their presentations made and recommendation of the Ad-Hoc Committee was then prepared and has been submitted as part of the staff report. They also have a summary of those in the next three slides. Under the capital improvement recommendation, the Ad-Hoc Committee is recommending that the City public facilities ADA improvements be funded in the amount of \$30,000. This includes ADA improvements to the City Clerk's Office building, the Police Department access into the lobby area and the restroom facilities. The Community Center Room 101 renovations for a total recommended amount \$225,000. Sidewalk, curb and gutter and ADA ramps in the amount of the \$171,325. Bud Bender Park Rehabilitation in the amount of \$134,525.

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

The Section 108 Loan repayment in the amount of \$258,220. It should be noted that the Section 108 loan is a required funding activity. Because the City borrowed funds from the U.S. Dept. of Housing and Urban Development for the development of the Senior Center. In terms of the public service recommendations. The adult literacy program in the amount of \$10,000. Fit 4 Kids in the amount of \$56,986. Pride Platoon Boot Camp in the amount of \$56,986. West Valley Senior Concern in the amount of \$19,000.

Rudy Munoz, CDBG Consultant stated Youth Academic and Employment Skills Training in the amount of \$15,000. This is for a total of \$157,972 which is the full 15% for allocation. In terms of the administration recommendations. The CDBG administration covers all the administration functions of the program in the amount of \$191,741. Fair Housing and Landlord/Tenant Mediation in the amount of \$18,887. Fair Housing and Labor Tenant Mediation is a required funding under the CDBG Program. HUD does not indicate what should be funded. They just indicate that they should be funded in an amount so that they can provide fair housing, counseling, and tenant/landlord mediation services for the City.

0o0

Mayor Pro Tem Scott declared the public hearing open.

0o0

ORAL COMMUNICATIONS

Gregory Alvarado, Regional Director for Oldtimers' Foundation, 8572 Sierra Ave., Fontana, he explained the services they provide to senior citizens and looks forward to continuing to provide them to the residents of Rialto.

0o0

Jeanne Smith, Center for Healing Childhood Trauma, 101 S. Olive Ave., Rialto, expressed her heartfelt thanks for CDBG funding received over the years. It has enabled the Center to provide positive parenting project. The children and families still need these services for next year and asked City Council to deny the recommendations presented which would deny them funding for FY 2012/2013.

0o0

Joe Martinez, Board Member of RUSD, 695 N. Verde Ave., expressed his support for The Leaven to receive CDBG funding.

0o0

Mark Lillis, Executive Director of The Leaven, 210 N. Beechwood Ave., Rialto, explained that the Leaven provides after school tutoring/mentoring at Quailridge Apartment Complex.

0o0

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

Ricardo Lorenzo, Representative for Oracle - owner of Quailridge Apartments, expressed his support for The Leaven.

0o0

Joseph Rodriguez, Gang Intervention Program for San Bernardino County, thanked Rialto for past support. Three years ago they were unable to satisfy the requirements for obtaining CDBG funding.

0o0

Denise Benton, Program Manager for NCNW Bethune Center, 649 E. Foothill Blvd., requested clarification on her notice to receive funding. The program has changed, they are now working with young adults out of school, ages 18-21. In that category they have homeless, foster care youth, young mothers, ex-offenders.

0o0

Council Member Baca Jr. stated that there is a committee recommendation for the Bethune Center to receive funding.

0o0

Kismet Evans, CEO of Inland Empire Veterans Stand Down, 357 W. 2nd St., #5, invited City Council to the 5th Turn Purple Campaign Event.

0o0

Motion by Council Member Palmer, second by Council Member Baca Jr. and carried by a 4-0 vote to close the public hearing. Mayor Vargas was absent.

0o0

Council Member Palmer stated that they do this every year and there is nothing to say that every group out there doesn't deserve some money. Every group helps somebody in the community. He has to take different view because a lot of groups that they typically give money to seemed to help kids that are past the age of learning from 13-21. Every year they get the same request to help these kids. At some point in time, they need to reach those kids that make it to that point yet. They have to educate them at a younger age and they have not had program that has done that before. This is why he was excited about the Leaven coming into the community that would provide that level of education to lower age group of kids. He is concerned that they didn't get any money. This is a program he thought was easy to track the results. He recommends that they find a way to carve out some money to give to the Leaven. The PRIDE Platoon is a great program but again that is an age group where they have already got into trouble.

0o0

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

Council Member Robertson stated that she sees programs where they provided funds in the past and now provided zero this time. She doesn't know the logic behind the committee's decision on that. She stated that the Center for Healing deals with children who are in a traumatic situation. The total amount of people that the Center for Healing serves is beyond the households in Rialto. She realizes that there has been a slight increase of funding for Fit 4 Kids. She has a concern with a possibility of duplication of efforts. The kids in Fit 4 Kids are also in the School District Program where they have somewhat of a physical education program. She would hope they could make some adjustments. She is concerned that they would take a program that the City has embraced (Center of Healing) and suddenly be in a position to not provide any funding.

0o0

Council Member Baca Jr. stated that he and Mayor Vargas served on the CDBG ad-hoc committee. There was a big reduction last year in services. The logic behind the recommendations was to try to not offer any duplicate services. For example the Leaven does great job with after school programs. Their logic was that the school district does this in most of the elementary schools and middle schools. In regards to Center for Healing Childhood Trauma, there were some reporting issues. They tried to fill in all the niches that were not duplicates. They looked at the PRIDE Platoon that deals with at-risk youth. They really don't have a lot for teenagers and that was the logic behind that. PRIDE Platoon is getting Statewide recognition in May. The other was ROCK what the City was doing with the Childhood Obesity program. The other was adult literacy they have been doing a great job at the County Library in Rialto. They looked at seniors, the Oldtimers' Foundation does a good job. The Bethune Center is going to do a lot more than what they have done in the past. He reminded everyone that the RUSD voted to remove the After School Programs from control of the City of Rialto. He supports whatever modifications that the City Council would like to make with the recommendations.

0o0

Mayor Pro Tem Scott stated that he too shared some of the concerns that were stated but he knew the committee was very limited in the dollars that they had. He is not a big fan of the RUSD and this why his son never attended a school in the RUSD. While he appreciates the Board Member coming today, he also thinks RUSD should reach into its own pockets and help with the kids in the community instead of waiting for the city to do that. It offends him that they think that when kids are not in school it becomes the City responsibility. Maybe if they stop spending so much money on the facilities they built, the kids would get a better education.

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

Mayor Pro Tem Scott stated that there are two Council Members who clearly have issues with this. He asked City Administrator if there is a plan for alternatives to make everyone happy. As to the reporting issues with the Center for Healing are they severe enough that funding should be cut?

0o0

Rudy Munoz, CDBG Consultant stated no, they are not severe; it's a situation where they constantly have to send back quarterly performance reports because they are submitted incorrectly.

0o0

Council Member Baca Jr. stated that they could pull \$10,000 from Fit 4 Kids and PRIDE Platoon and give \$10,000 to the Leaven and \$10,000 to Center for Healing.

0o0

George Harris, Director of Administrative and Community Services stated that the two programs are ready to accept the cuts. Fit 4 Kids will find a way to run the program with a reduction of funds.

0o0

Police Chief Tony Farrar stated they appreciate the Committee's time and effort. They are extremely blessed to get the amount of money they were given. The program has been successful and has received State recognition. He has creative staff and they are good at what they do. He believes they can find a way to run the program with a reduction of funds.

0o0

Mayor Pro Tem Scott stated that the Oldtimers' Foundation, you find out they are important when you have senior family that no longer are capable of cooking and feeding themselves. Although his parents have now passed away, Meals on Wheels in Arizona delivered food to them every day. They not only have a responsibility to the youth but a responsibility to seniors. Nobody should have to leave this earth without being able to eat food. It's a shame in this country most families don't take care of their parents when they get older.

0o0

George Harris, Director of Administrative and Community Services stated as a point of clarification the NCNW Bethune Center was recommended to be awarded \$15,000.

0o0

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

Council Member Robertson stated that if the groups have agreed to the reduction, she noticed the amount they withdrew from the Oldtimers' Foundation and hopes they could make that adjustment and put the funds back. It is important because they are a community that has built three senior housing facilities and they are attracting more and more and the services are greatly needed.

Regarding the Capital portion, she has a concern and knows that dollars are restricted by the area map with capital improvements and needs to be in the project area. She was looking at the proposals to do the renovations and rehabilitation of Bud Bender Park, at the last Council Meeting Council Member Baca Jr. indicated that the roof caved in and there were some needs there. She is concerned with what is the park services now, does it provide some level of amenities for the community or fully a sports park? Will there be elimination of the general areas where people can rest. What is going to be the level of maintenance and operation because these are capital dollars. Then they have to plan on how they will maintain the facility.

0o0

George Harris, Director of Administrative and Community Services stated the initial plan for that location is to enhance some of the lighting in the parking areas and along the walkways. There will be an impact on the electricity bill annually but they will find some efficient lighting.

0o0

Council Member Robertson stated with the rehabilitation would it take away any past developments at the park?

0o0

Council Member Baca Jr. stated no, currently the Rialto Pony League does use the park right now and some adult men use it on the weekends and soccer teams use it. This park is a mess and it's old and outdated and they are looking at cleaning it up. Most of the parks are in good shape and this one is in bad shape. The logic is to try and get it cleaned up so they can provide a good amenity to the kids and families. That park falls within the CDBG zone but also its one of the oldest parks in the city.

0o0

George Harris, Director of Administrative and Community Services stated regarding the Oldtimers' Foundation the intent was to fully fund at the old funding amount \$19,447. So allocate an additional \$447.

0o0

PUBLIC HEARING

TAB 2 – 2012-2013 Consolidated Plan One Year Action Plan for CDBG funding

Council Member Baca Jr. recommended that they fund at the full amount of \$21,000 and reduce another \$1000 from Fit 4 Kids and PRIDE Platoon since this is very important to all of them.

0o0

City Administrator stated that they will then carve out \$11,000 from each of those two.

0o0

George Harris, Director of Administrative and Community Services recapped the recommendations:

Fit 4 Kids Program will be reduced by \$11,000 and recommended for a total of \$45,986.

The Center for Healing Childhood Trauma was originally recommended for \$0 and the new recommendation is \$10,000.

The PRIDE Platoon original recommendation was \$56,986. The new recommendation is \$45,986.

The Leaven original recommendation was \$0 and the new recommendation is \$10,000.

The Oldtimers' Foundation original recommendation was \$19,000 and the new recommendation is \$21,000.

0o0

Motion by Council Member Palmer, second by Council Member Baca Jr. and carried by a 4-0 vote to approve the City's 2012-2013 Consolidated Plan One-Year Action Plan with the amended recommendations. Mayor Vargas was absent.

0o0

Council Member Baca Jr. left the dais at 7:30 p.m. and returned at 7:35 p.m.

0o0

NEW BUSINESS

TAB 3 – Expenditure Authority for the Design Phase of the Foothill Blvd. Aesthetics Project

Gene Klatt, Interim Public Works Director stated that this is to improve an increase in the expenditure authority for the design phase of the Foothill Blvd. aesthetics project in the amount of \$27,000. This is the median island improvements, the bus shelters, the right-of-ways. During the course of this project which began in February 2010 there were additions made, median islands were extended both on the east and west ends to make entry monument statements. They added the bus shelters. There was a require survey and discussions with the various property owners to get those bus shelters put in place. The total increase brings the design cost to \$74,505 and the design support costs to \$25,115. Staff recommends an increase of \$27,000 with Ian Davidson Landscape Architect.

0o0

NEW BUSINESS

TAB 3 – Expenditure Authority for the Design Phase of the Foothill Blvd. Aesthetics Project

Mayor Pro Tem Scott stated that this comes out of the grants project fund account? This is a grant they received?

0o0

Gene Klatt, Interim Public Works Director stated as far he knows, yes, he did not discuss with the staff analyst the source of the funds. In the staff report it states that they received money from Caltrans and a good part of that went to pavement rehabilitation.

0o0

George Harris, Director of Administrative and Community Services stated that this is the remainder of the Caltrans money.

0o0

Council Member Palmer stated since that is the remainder, are there more funds? He remembers part of the Foothill Blvd. design having pavers at the intersection at Riverside Ave. Is this in the budget?

0o0

Gene Klatt, Interim Public Works Director stated the specific budget no, the final plans are not here yet so he can't say what all is included. He knows there are water features at both ends.

0o0

City Administrator Story stated they will be bringing that back. This item is just for the design phase. They will bring the authorization to advertise to bid the project to City Council.

0o0

Council Member Robertson stated that what she would like to see when it comes back is the recommendation on who is going to be the project manager. She doesn't want to look to the design architect to be person overseeing it and moving it forward. This project will fall under Public Works she would hope whoever oversees it will keep it within budget.

0o0

Gene Klatt, Interim Public Works Director stated one of the reasons for bringing the authorization to advertise to bid, they will have the preliminary estimate with all the design costs and what is remaining to be spent.

0o0

ORAL COMMUNICATIONS

June Hayes, P.O. 2395, stated that she gets concerned when she sees change orders. She hopes they don't put up those ugly bus shelters on Foothill Blvd.

0o0

NEW BUSINESS

TAB 3 – Expenditure Authority for the Design Phase of the Foothill Blvd. Aesthetics Project

Council Member Baca Jr. stated that they have to continue to raise the bar in the amenities and on the way the City looks. This is a great project.

0o0

Motion by Council Member Palmer, second by Council Member Baca Jr. and carried by a 4-0 vote to approve an increase in Expenditure Authority for the design phase of the Foothill Blvd. Aesthetics project in the amount of \$27,000 and authorize purchases, expenditures and change notices with Ian Davidson Landscape Architecture in the amount of \$74,505. Mayor Vargas was absent.

0o0

TAB 4 – Construction Contract to Kormx, Inc. for Citywide Curb, Gutter, and Sidewalk projects

Gene Klatt, Interim Public Works Director stated this is to award a Construction Contract to Kormx, Inc. for the 2011/2012 Citywide Curb, Gutter and Sidewalk Project Nos. 120804 & CB1204 in the amount of \$221,436.25. They maintain a list of locations and reported problems to repair damage to deteriorated concrete facilities. Request for bids were sent out and Kormx was the lowest bidder. Approximately 65% of this project is construction of ADA accessibility ramps.

0o0

Council Member Palmer stated that they adopted a policy giving the local businesses a preference on these bids. They had two people from Rialto and one from Fontana bid on this and they were the highest. If they are local and get preference at least bid in the ballpark and be competitive.

0o0

Gene Klatt, Interim Public Works Director stated this is consistent with all the bid openings they do. He doesn't have a any explanation for it.

0o0

Council Member Baca Jr. requested on the corner of Etiwanda and west side of Eucalyptus. There are no sidewalks there and many kids who walk to school don't have access to a sidewalk.

0o0

Motion by Council Member Baca Jr., second by Council Member Palmer and carried by a 4-0 vote to award a Construction Contract to Kormx, Inc. for the 2011/2012 Citywide Curb, Gutter & Sidewalk Projects Nos. 120804 & CB1204 in the amount of \$221,436.2. Mayor Vargas was absent.

0o0

NEW BUSINESS

TAB 5 – Construction Contract for Hardy & Harper for Street Overlay Project

Gene Klatt, Interim Public Works Director stated that this is to award a Construction Contract to Hardy & Harper for 2011/2012 Street Overlay Project No. 120805 in the amount of \$717,000. The City has an overall maintenance project. They follow the pavement management study that was created in 2007. Because the study had millions of dollars worth of pavement. Staff has focused on arterial and collector streets for this particular overlay. This year's program will put down approximately 5125 tons of pavement.

0o0

Council Member Baca Jr. commended staff because he knows its difficult choosing which areas get priority. He drives through Lilac between Etiwanda and Foothill is really bad.

0o0

Mayor Pro Tem Scott stated that there was funding a year ago from Riverside Avenue from Foothill Blvd. to Merrill or Rialto Ave. was that funding moved somewhere else or is the funding still there for that. Where is North Riverside Ave., specially along Las Colinas, on the paving plan. That paving up there is really in bad shape and lot of heavy traffic.

0o0

Gene Klatt, Interim Public Works Director stated that he will look them up and get back to City Council.

0o0

Council Member Baca Jr. asked if there was money from Measure I for Foothill Blvd. where they had re-done the design.

0o0

City Administrator Story stated that he believes its part of the Foothill Blvd. Specific Plan. Mr. Klatt will research and report back to City Council.

0o0

Motion by Council Member Baca Jr., second by Council Member Palmer and carried by a 4-0 vote to award a Construction Contract to Hardy & Harper for the 2011-2012 Street overlay project No. 120805 in the amount of \$717,000. Mayor Vargas was absent.

0o0

TAB 6 – First Amendment of PSA with Science Application International Corp. for completion of Utility System Master Plan

Gene Klatt, Interim Public Works Director stated that this item is to approve a budget resolution and a First Amendment to the Professional Services Agreement with Science Application International Corp. (SAIC) for the completion of the Utility System Master Plan in an amount not to exceed of \$628,393. The City is aware there was several efforts undertaken at the same time the city started a Utility System Master Plan for water, wastewater and reclaimed water.

NEW BUSINESS

TAB 6 – First Amendment of PSA with Science Application International Corp. for completion of Utility System Master Plan

Gene Klatt, Interim Public Works Director stated a Professional Services Agreement was awarded to Advanced Infrastructure Management (AIM) in an amount of \$554,000 in 2008. In the first weeks of 2010 the project was still not complete and the project with AIM was terminated after being paid a total of \$301,000. SAIC had been working with the City on the Concession Agreement and had started some work on Master Plans. In August 2010 they were awarded an agreement to continue the Master Plan for \$379,600. This particular project is an additional \$628,393 and it would basically go over the three systems. They are also providing data that was not contained in any of the previous reports. The funding is from a combination of the wastewater fund and the water fund account.

0o0

Mayor Pro Tem Scott asked about the money they paid to AIM for the original Master Plan, was the work product valued at that much money?

0o0

Gene Klatt, Interim Public Works Director stated there is valuable product that was produced and they have the preliminary reports and they did a model run. There were some slight differences, not all the things that were required of AIM or any proposer were completed. They do not have electronic format of that data, hard copy only, submitted in preliminary form.

0o0

Mayor Pro Tem Scott asked if they are attempting to recover any money from them?

0o0

City Attorney Gutierrez stated what happened was that the City did not pay AIM the progress payment they felt entitled to when they submitted the documentation. Precisely because they didn't submit it in electronic form and there were other aspects not complete. They expected AIM to file a claim and they never did and it's too late to do so now. What they were paid was 25% of the total contract. He doesn't know if they ever did an analysis of whether or not they got value for the 25% the city paid. What is important is they didn't pay the whole contract and they didn't pay the progress payment. He believes they recognized that they couldn't complete the contract.

0o0

Mayor Pro Tem Scott stated that this is a very important project for the City. It's a sad situation that the City has operated a water and wastewater system with no Master Plan for so many years.

0o0

NEW BUSINESS

TAB 6 – First Amendment of PSA with Science Application International Corp. for completion of Utility System Master Plan

Council Member Robertson stated the staff report states they terminated AIM after paying them \$301,000 for a portion of the work that had been completed. What did they determine was work completed to the point they could use any of the product.

0o0

City Attorney Gutierrez stated that he doesn't know that determination.

0o0

Stephan Dopudja, Project Manager of SAIC, stated that they did look at that and grappled over the value. They did get some digital data and they didn't get others. For example, they received text but should have been in Word format so it can be reused. While they felt some of the quality of some of that data wasn't where it should have been. They probably got what they paid and maybe not what they were trying to bill the City. They looked at it comprehensively because they proposed back in 2008. Where they are at now is actually less than what SAIC original bid was because of the efficiencies through the Concession Agreement and some of the planning process. Even if you take what you paid AIM and what they paid SAIC and extra work that wasn't in the original scope of work it is still less than what SAIC proposed back in 2008.

0o0

Motion by Council Member Palmer, second by Council Member Robertson and carried by a 4-0 vote to adopt budget RUA Resolution No. 10-12 and a First Amendment to the Professional Services Agreement with Science Application International Corp. For the Completion of Utility System Master Plan in the amount of \$628,393. Mayor Vargas was absent.

0o0

TAB 7 – Construction Contract with Marjani Builders for Fitness Center ADA Improvement Project

Gene Klatt, Interim Public Works Director stated that this is a Construction Contract to be awarded to Marjani Builders for the Fitness Center ADA Improvements Project in the amount of \$385,900. This is a CDBG project and it will enhance the fitness center. It adds an access ramp from the lobby to the southerly cardio area and handball courts. They will redo the lobby and provides a new entrance with automatic doors and other improvements. It adds approximately add 500 sq. ft. to the total building. The funding for this project was a combination, in April 2006 there was an original \$382,000 allocated to the fitness center and followed with additional allocations of \$166,375 in 2009 and \$260,000 in 2010. Phase 1 improvements were the locker rooms completed in 2007/2008. There was a carryover of some of the money and this how they arrive at the current available balance of \$498,704.

NEW BUSINESS

TAB 7 – Construction Contract with Marjani Builders for Fitness Center ADA Improvement Project

Gene Klatt, Interim Public Works Director stated the lowest bidder was Marjani Builders, even considering the bid preference, were still low. None of the bidders were completely accurate on all of the data. There was a protest filed by the No. 3 bidder. The City Attorney reviewed those and they have the response to the specific questions. Staff is recommending that the Contract for the construction be awarded to Marjani Builders as the lowest bidder. There are 135 calendar days allocated. There is a cost break down in the staff report.

0o0

Motion by Council Member Baca Jr., second by Council Member Palmer and carried by a 4-0 vote to award a Construction Contract to Marjani Builders for the Fitness Center ADA Improvements Project in the Amount of \$385,900. Mayor Vargas was absent.

0o0

TAB 8 – Engagement Letter with Fulbright & Jaworski, LLP authorizing Phase 4G Services

Robb Steel, Development Services Director stated that this is a catch up of services for Don Hunt of Fulbright & Jaworski who was a member of the negotiating team on the Concession Agreement approved last month. City Council had previously approved for engagements with Don Hunt for a total expenditure obligation of \$961,100. There are also obligations to reimburse incidental expenses and that added about \$9000 to his entitlements. He had given the City proposal for Phase 4G services to complete negotiations of the Concession Agreement, finish work on the Prop. 218 process, to carry services forward until September 2012 when the financial closing is scheduled to occur. The proposal for these services is for \$375,000 plus his reimbursable expenses not to exceed \$15,000. The total engagement would be for \$390,000 which would bring the total cost of his services to \$1,351,100. The cost has been spread equally between the water and wastewater fund so each fund would bear about \$195,000 of the expense.

0o0

Motion by Council Member Robertson, second by Council Member Palmer and carried by a 3-1 vote to adopt budget **RUA Resolution No. 11-12** approving an engagement letter with Fulbright & Jaworski, LLP authorizing Phase 4G Services in the amount of \$390,000. Council Member Baca Jr. vote NO. Mayor Vargas was absent.

0o0

TAB 9 – License Agreement with Fontana Water Company for Construction of a Water Line

Greg Lantz, Economic Development Manager stated that this is an item related to a License Agreement between the City of Rialto, acting as Successor Agency to the Redevelopment Agency and Fontana Water Company. They are changing it to San Gabriel Valley Water Company, which is the parent affiliate of Fontana Water Company.

NEW BUSINESS

TAB 9 – License Agreement with Fontana Water Company for Construction of a Water Line

Greg Lantz, Economic Development Manager stated the Target Corporation is proposing a development at the northern perimeter of Alder Ave. and Laurel and Easton; 36 acre site. As part of the development requirements they are required to do dedications of right-of-ways, widen the streets and construction of a water line that is necessary to service the project. They did previously enter into a reimbursement agreement with Target to acquire some of the additional right-of-ways. The water line is coming from Easton Ave. down to Walnut Ave. where it will be proposed in the future. Fontana Water does have a water line here in the proposed right-of-way of Walnut Ave. and Easton. One of the issues with this water line being constructed is that there is no existing right-of-way within this area. On the Westside there were four property owners and on the eastside there was the Rialto Airport property. The developer of the Target Corp. requested that the City and or the Agency offer the right-of-way or the dedication necessary for an easement of this water line to be constructed. They have entered into negotiations and as part of that they used best faith efforts to obtain that. Again with actions of the State and the current title of the Airport property, currently in suspense. The title is still held in the Redevelopment Agency and until such time as the title can be perfected that title deed can't be conveyed and there is a requirement that the State Dept. of Finance will have to review and approve that transfer. The City Attorney made a recommendation that they can proceed with the License Agreement with the consent of the Water District to allow them to construct that water line within the proposed right-of-way, that would be a future roadway contained within the Airport Specific Plan. The Target project is under construction and time is of the essence in regards to action on this item.

0o0

Mayor Pro Tem Scott asked why the request for the name change?

0o0

Greg Lantz, Economic Development Manager stated the lawyers from the San Gabriel Water Company is a controlling interest in Fontana Water Company. They are both private mutual companies.

0o0

Mayor Pro Tem Scott asked haven't all the agreements in the past been with Fontana Water Company?

0o0

Greg Lantz, Economic Development Manager stated he can't answer that.

0o0

NEW BUSINESS

TAB 9 – License Agreement with Fontana Water Company for Construction of a Water Line

Mayor Pro Tem Scott asked if the City Attorney looked at this?

0o0

City Attorney Gutierrez stated that he looked at the License Agreement and wasn't aware of the name change to San Gabriel.

0o0

Greg Lantz, Economic Development Manager stated that is recommendation was based upon discussion this afternoon with a Representative for San Gabriel Valley Water Company. In the License Agreement it does state in one of the sections where it would be allowed the Fontana Water Company or their affiliates including San Gabriel Valley Water Company the rights to construct, maintain and operate the water system. It's a name of who is the actual owner of the system.

0o0

Council Member Robertson stated that she wants to understand the concern and clarify.

0o0

City Attorney Gutierrez stated that they need the License Agreement is needed to construct a water line to support the Target project. They originally thought they were dealing with Fontana Water Company because Fontana services this area. Now their "daddy" got involved and they want the change. He doesn't think it makes that much difference unless it matters to City Council. His thought is that if they want to approve entering into an agreement either with Fontana or San Gabriel and maybe negotiate it further saying they have preference for Fontana. The main issue is to provide the right-of-way.

0o0

Mayor Pro Tem Scott stated he saw it as being odd because he has been involved in a lot of negotiations with Fontana Water and San Gabriel Water has never been on a contract. If there has been an acquisition of Fontana Water by San Gabriel Water?

0o0

Greg Lantz, Economic Development Manager stated they are different entities but affiliated in some fashion. San Gabriel Water is a "parent" Company of Fontana Water Company. They own other agencies.

0o0

NEW BUSINESS

TAB 9 – License Agreement with Fontana Water Company for Construction of a Water Line

Mayor Pro Tem Scott asked if they have a Franchise Agreement with Fontana Water to serve Rialto or is it territorial?

0o0

City Attorney Gutierrez stated he believes its territorial.

0o0

Mayor Pro Tem Scott stated it just seems odd to him because he has never seen it in play before. He is ok with voting on it because they need to get it done but the City Attorney should review it and find the reasoning for it.

0o0

Council Member Robertson stated that she agrees and she too would be concerned about delaying it. Here they are 12 years along the way and she never seen San Gabriel interject themselves beyond what roles Fontana Water Company has always played around this area in the past.

0o0

Motion by Council Member Robertson, second by Council Member Palmer and carried by a 4-0 vote to approve a License Agreement with San Gabriel Valley Water Company for the Construction of a Water Line within the proposed eastern half-width of Laurel Avenue (affects portions of APN#0240-221-12 and 2240-221-14). Mayor Vargas was absent.

0o0

TAB 10 – Purchase and Sale Agreement for the acquisition of 309 W. Jackson St.

John Dutrey, Housing Program Manager, stated the action is to consider purchasing a building at 309 W. Jackson St. as part of short sale. This proposal is to purchase a building utilizing Neighborhood Stabilization Program Funds granted by HUD. The proposed purchase price is \$200,000. There was an appraisal done that turned out to be the market value. Per the NSP regulations there is a requirement of a 1% discount. The final purchase price will be \$198,000. The proposal is also to enter into an Interim Agreement for Management Services, four of the units are occupied. This is a second property they have acquired. They curtly don't have affordable housing in place for these two buildings. They propose to come back at a later date and they are still looking at the sources of funds to do the construction work for these two buildings. Currently the project of the remaining units is under construction and anticipated to be completed this September.

0o0

Mayor Pro Tem Scott asked does the rejection by the State Finance Dept. of this project affect this purchase?

0o0

NEW BUSINESS

TAB 10 – Purchase and Sale Agreement for the acquisition of 309 W. Jackson St.

John Dutrey, Housing Program Manager, stated no it does not, this purchase is 100% under the Federal Neighborhood Stabilization Program. There is no Redevelopment low/mod housing funds involved for this purchase.

0o0

Motion by Council Member Robertson, second by Council Member Baca Jr. and carried by a 4-0 vote to approve a Purchase and Sale Agreement for the acquisition of 309 W. Jackson Street in the amount of \$200,000 and approve an Interim Management Agreement with Southern California Housing Resource and Development (SCHRd). Mayor Vargas was absent.

0o0

TAB 11 - Ordinance allowing the establishment of Future Sewer Rates by Resolution

Robb Steel, Assistant to the City Administrator stated this is to clean up the procedure by which the City Council and the Rialto Utility Authority adopt new rates. For water service currently, when they adopt new rates they do it by Resolution. For sewer service for some reason they have done it by Ordinance in the past. This is designed to conform their rate setting for sewer with what they do for water in preparation for Prop. 218 hearing they will hold in June. After that hearing if they decide to adopt a new rate schedule they will do it by Resolution rather than by Ordinance.

0o0

City Attorney Gutierrez read the title of the Ordinance:

ORDINANCE NO. 1505

**AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF RIALTO, STATE OF CALIFORNIA,
AMENDING SECTION 12.08.200 OF THE RIALTO
MUNICIPAL CODE**

0o0

Motion by Council Member Robertson, second by Council Member Palmer and carried by a 3-1 vote to adopt **Ordinance No. 1505** Allowing the Establishment of Future Sewer Rates by Resolution. The vote was: AYES: Mayor Pro Tem Scott, Council Members Robertson and Palmer. NOES: Council Member Baca Jr. ABSTAIN: none. ABSENT: Mayor Vargas.

0o0

Council Member Baca Jr. left the dais at 8:30 p.m. and returned at 8:35 p.m.

0o0

ORAL COMMUNICATIONS

Eddie Lemus, 981 W. Huff St., Bill Batts Rialto Girls' Softball expressed his concern regarding lack of funds for their league for Frisbie Park beautification/improvements.

0o0

Mayor Pro Tem Scott stated they all know the park needs some work and it's not that they are ignoring them. As soon as they can find some funds they will put money into the park.

0o0

Council Member Baca Jr. stated when they were talking about putting the football fields there they were going to re-change all the lights and re-do the snack bar. At the time the leadership was going to raise the money to do all those things. This is why they moved everything to Fergusson Park to accommodate the pop warner football. With regards to Rialto Park the reason why they are allocated funding for some other park rehab is because they fall within the CDBG zone for capital improvement projects which is a low income area. Frisbie Park does not qualify in that category. In regards to Birdsall, he knows the league has done some of the clean up themselves. He is in full support and he has commented too about the poles falling down and it costs approximately \$15,000-\$20,000 per pole so it is very expensive. He did vote against raising the fees for the lights for the sports programs.

0o0

Council Member Robertson stated on recalling the history, she believes at the time the past leadership was willing to have the money moved from Frisbie Park. She lives close to Frisbie Park and it has been one of the parks she focused on to see that it gets the proper funding and get built out. Regarding sponsorships, in the past they have come and asked and she has sponsored. They get a lot of request and she tries to spread her sponsorships around the community. She hopes they can get the lights in and accommodate the situation.

0o0

Mayor Pro Tem Scott stated with regard to CDBG, he understands they must draw a lot of low income kids from the City. It's not where the children live but where the park is that qualifies it. Unfortunately, because their program is at Frisbie Park that park doesn't qualify for a lot of funding that Rialto Park can qualify for.

0o0

City Administrator Story stated that the Interim Public Works Director can give Mr. Lemus the schedule of repairing the fallen light poles.

0o0

ORAL COMMUNICATIONS

Rafael Trujillo, Representative for Congressman Joe Baca, extended an invitation to the Annual Education Summit, California National Landscape set for Thursday, May 24th from 8:00 a.m. – 1:00 p.m. at CSUSB.

0o0

REPORTS

Council Member Robertson stated have a good evening.

0o0

Council Member Palmer stated that he attended Earth Day this past Saturday and thanked all those who helped clean up the City. He attended the Hard Hat Ceremony today at TELACU 3 - Rio Alto Senior Complex.

0o0

Council Member Baca Jr. wished Mayor Vargas well.

He attended the Earth Day event. A lot of civic groups were involved. It was important to send the message that it's up to them to change the image and responsibility and take personal pride on keeping things clean.

He stated that they continue to move projects forward despite the economy.

He wants to apologize for being late today. He teaches and also coaches Rialto High School Girls Softball Team. They had a game today against Arroyo Valley and they beat them 8-2.

0o0

Mayor Pro Tem Scott stated that he attended the TELACU 3 Hard Hat Ceremony.

He asked that Mr. Greg Lantz give an update on the In-N-Out Burgers and the progress on the project.

He stated that the 10th Annual Memorial Day Tribute will be on Monday, May 28th from 10:00 a.m. – 1:00 p.m. at the Rialto Park Cemetery.

He stated that he has been getting some calls about Fergusson Park being fenced off and not open. He is not sure why a part of it is not open. He wishes they can find out why and at least put some signs up letting the community know why it's not open yet. For those who haven't been up there yet, the landscaping is beautiful. The park really looks nice and the football fields looks great. There is only one eyesore on that property, which he has brought up before, the roof of the fire station. It's a rusted and falling part roof. They need to get it fixed before it gets worse.

0o0

REPORTS

Council Member Baca Jr. stated that he had asked Ahmad Ansari before he left to have that painted when they were doing the park improvements. Hopefully they can follow up on that.

0o0

Fire Chief Mat Fratus stated that the firefighters have actually started painting the building from the inside with paint supplied from the City. When they are done with the inside they can start looking at doing some of the outside. It's a little more complicated because it is metal, and the firefighters are talented up to a certain extent, but they will continue to work together to try to get that cleaned up.

0o0

ADJOURNMENT

Motion by Council Member Robertson, second by Council Member Baca Jr. and carried by a 4-0 vote to adjourn the City Council Meeting. Mayor Vargas was absent.

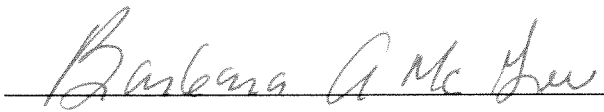
The City Council adjourned at 8:45 p.m.

0o0



MAYOR GRACE VARGAS

ATTEST:



CITY CLERK BARBARA A. MCGEE

